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January 16, 2003

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BY ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TWB-204
Washington, D.C. 20554

Re: *Ex Parte* Presentation in CC Docket Nos. 01-338, 96-98, 98-147

Dear Ms. Dortch:

Today, Joseph Gillan and the undersigned, representing the Promoting Active Competition Everywhere ("PACE") Coalition, met with Commissioner Copp's legal advisor, Jordan Goldstein to discuss the economic and operational impairments associated with serving analog customers via competitively-provided circuit switches.

In accordance with Section 1.1206 of the Commission's rules, this letter is being provided to you for inclusion in the public record of each of the above-referenced proceedings. A copy of this submission is being provided to each member of the Commission staff present at the meeting.

Respectfully submitted,

Genevieve Morelli

cc: Jordan Goldstein
Qualex International

DC01/MOREG/191426.1

FOR IMMEDIATE RELEASE

For Further Information Contact:
Genny Morelli (202) 887-1230
Joe Gillan (386) 405-2751

UNE-P Passes 10 Million Line Milestone

Fastest Growing and Most Successful Local Entry Strategy Benefits Residential and Small Business Customers Across Nation

WASHINGTON, D.C., January 15, 2002 - The Promoting Active Competition Everywhere (PACE) Coalition today released its semi-annual UNE-P Fact Report that tracks the development of UNE-P based local competition. The report concludes that UNE-P lines have crossed the 10 million line barrier and that UNE-P is the fastest growing – and now most successful – local entry strategy in the nation. A summary of the key findings of the UNE-P Fact Report is attached.

"The Fact Report demonstrates that the bold reforms of the 1996 Telecom Act can work, but only if given time and the sustained commitment of those charged with their oversight," according to Rodney Page, Executive Vice President of Access Integrated Networks, a member of the PACE Coalition. "We congratulate the state commissions who are working hard to produce these fine results."

A key finding of the Fact Report is that new local service providers other than AT&T and WorldCom are most responsible for the surge in UNE-P based competition. These small companies are now responsible for 46% of the UNE-P lines in service.

"In 1996, the RBOCs agreed to a quid pro quo: they would allow entrants access to their local networks in exchange for the opportunity to offer long distance services," reminds Peter Karoczkai, Vice President of InfoHighway Communications and Chairman of the PACE Coalition. "With their pockets full of quid, these companies now want to eliminate the quo. A deal is a deal and the UNE-P Fact Report shows that consumers are the winners when the incumbents are held to their end of the bargain.

"With approximately 85% of the net gain in competitive lines coming from UNE-P, it should be no surprise that the incumbents would like to eliminate UNE-P," according to Michael Weprin, President and CEO of PACE Coalition member BridgeCom. "What is surprising is that the FCC would even entertain the idea. Despite its success, UNE-P based competition has less than a 6% market share. If a 6% market share more than 6

years after the Telecom Act was passed is too much competition for the incumbents, what on earth did they and the FCC expect from the Act?"

"The FCC finally has the evidence of what works and what doesn't," said Karoczkai. "Now it needs to make sure it doesn't confuse the two. UNE-P must be kept intact because without UNE-P competitive choice for small business and residential consumers would effectively disappear and the promise of the 1996 Telecom Act would be extinguished."

###

The PACE Coalition comprises a diverse group of competitive entrants who have committed substantial capital resources to developing the necessary infrastructure to compete in the local telecom market. It's members include Access Integrated Networks, ATX Communications, Birch Telecom, BizOnline.Com, BridgeCom, DataNet Systems, Ernest Communications, IDS Telcom LLC, InfoHighway Communications, ITC^DeltaCom, Inc., MCG Capital Corp., MetTel, Momentum Business Solutions, Inc., nii communications, and Z-Tel. For further information on the PACE Coalition, contact Genny Morelli (202-887-1230 or gmorelli@kelleydrye.com) or Joe Gillan (386-405-2751 or joegillan@earthlink.net) or visit its website at www.pacecoalition.org.

UNE-P Fact Report
January 2003

PACE coalition

Summary Facts

* **By the end of 2002, more than 10 million residential and small business lines had obtained competitive local exchange services from providers using UNE-P.**

* **UNE-P accounted for 85% of the net gain in competitive access lines during the first half of 2002 (the most recent period for which comprehensive CLEC data is available).**

* **Small new entrants (CLECs) are most responsible for the growth of UNE-P based competition, serving 46% of the UNE-P lines in service as of September 30, 2002, a share far larger than either AT&T (28%) or MCI (26%).**

* **UNE-P is as (or more) critical to the development of competition for small business customers as it is for residential customers, with UNE-P serving 7.6% of the small business market and a symmetric 6.7% of the residential market nationally.**

* **UNE-P's share of the competitive local market has grown from 6% of competitive lines at the beginning of 2000, to nearly 35% by June of 2002. At the same time, UNE-L's share has increased from 12% to 19%, while CLEC-provided facilities have grown from 27% to 31%, proving that UNE-P's gain does not occur at the expense of other facilities-based strategies.**

* **The benefits of UNE-P based competition are becoming more widespread. UNE-P market share in the nation's three most rural states – Wyoming, North Dakota and South Dakota – is 8.7%, significantly larger than the national average penetration rate of 5.4%.**

	The Top 5 States as of June 2002, ranked by:		
Rank	UNE-P Lines Added in 2002	UNE-P Lines in Service	UNE-P Share
1	Michigan	New York	New York
2	Florida	Texas	Texas
3	Ohio	Michigan	Michigan
4	Illinois	Florida	Wyoming
5	California	Illinois	Kansas

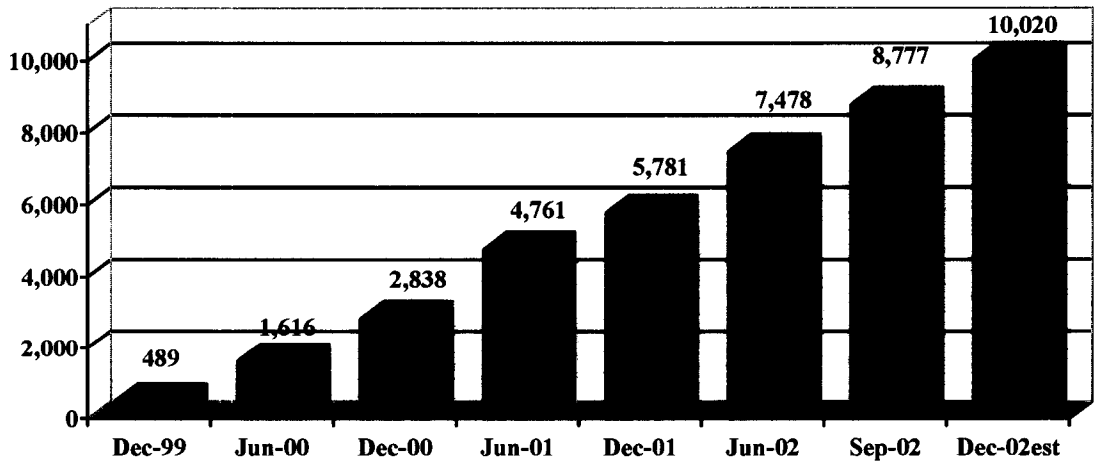
The UNE-P Fact Report: January 2003[1]

This is the second in a series of UNE-P Fact Reports tracking the development of the unbundled network element platform (UNE-P) and its important role in transforming local markets from monopoly to competition. The UNE-P Fact Report is based on hard data filed by the incumbent exchange carriers in federal and state regulatory proceedings, as well as statements released to investors, and is intended to provide an objective summary of the status of UNE-P based competition.

UNE-P Remains the Fastest Growing Form of Local Competition

Market data confirms that UNE-P remains the fastest growing form of local competition, serving an estimated 10 million residential and small business lines by the end of 2002. UNE-P has grown from only 6% of CLEC lines at the end of 1999 to nearly 35% by June of 2002.

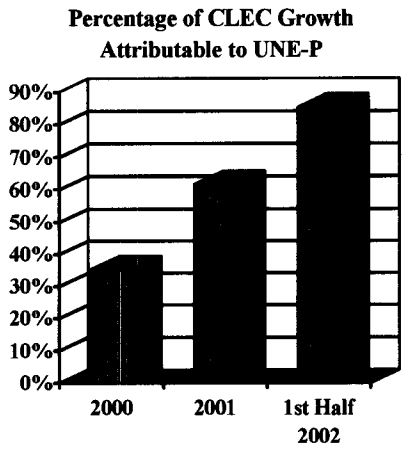
Growth of UNE-P
(Thousands of lines)[2]



[1] The UNE-P Fact Report is published twice annually by the PACE (Promoting Active Competition Everywhere) Coalition. The previous version of the UNE-P Fact Report may be downloaded at www.pacecoalition.org. The PACE Coalition consists of smaller entrants that use UNE-P to provide some or all of their local services. The members of the PACE Coalition are: Access Integrated Networks, ATX Communications, Birch Telecom, BiznessOnline.com, BridgeCom, DataNet Systems, Ernest Communications, IDS Telcom, InfoHighway Communications, ITC^DeltaCom, MCG Capital Corp., MetTel, Momentum Business Solutions, nii communications, and Z-Tel Communications.

[2] Source: FCC Local Competition Report (data through June 2002), released December 9, 2002. UNE-P volumes for the third quarter of 2002 are based on RBOC quarterly earnings information, while the estimate for the fourth quarter 2002 was developed by the PACE Coalition.

UNE-P is unmistakably the principal driver of competitive growth in the local market today. During the first half of 2002, UNE-P accounted for more than 85% of the net growth in competitive access lines. Said differently, if UNE-P were eliminated, competitive activity – and, importantly, competitive benefit – would decline by roughly 85%. Not only would competition slow overall, the decline would reduce benefits most dramatically for the typical residential and small business customers that depend on analog services for their basic communications needs. As explained below, it is this customer segment that is most frequently served by UNE-P.



UNE-P is Critical to Competition in the Small Business and Residential Markets

It is generally understood that UNE-P is vital to local competition for residential customers. Less well understood, however, is the importance of UNE-P to competition in the small business market (defined here as businesses that are served using conventional analog-loop based services). This "mass market" of residential and smaller business customers rely on UNE-P to obtain competitive choice.

Relative Importance of UNE-P to Residential and Small Business Competition

Holding Company	UNE-P Lines[3]		Penetration Rate[4]	
	Business	Residential	Business	Residential
BellSouth	569,929	769,590	12.2%	4.6%
Qwest	285,034	229,145	7.4%	2.1%
Verizon (Bell Atlantic)	595,775	1,978,432	7.6%	7.7%
SBC	1,010,825	2,840,145	6.2%	8.5%
Total	2,461,563	5,817,312	7.6%	6.7%

As the table above shows, small business competition is sometimes *more* dependent upon UNE-P than residential competition. In the BellSouth and Qwest regions, small business (i.e., analog) UNE-P penetration is roughly *3 times* residential UNE-P penetration, while in the areas served by SBC and Verizon the penetration rates are approximately the same. Significantly, other than New York, the remaining Verizon's states report business/residential penetration rates comparable to Qwest and BellSouth.[5]

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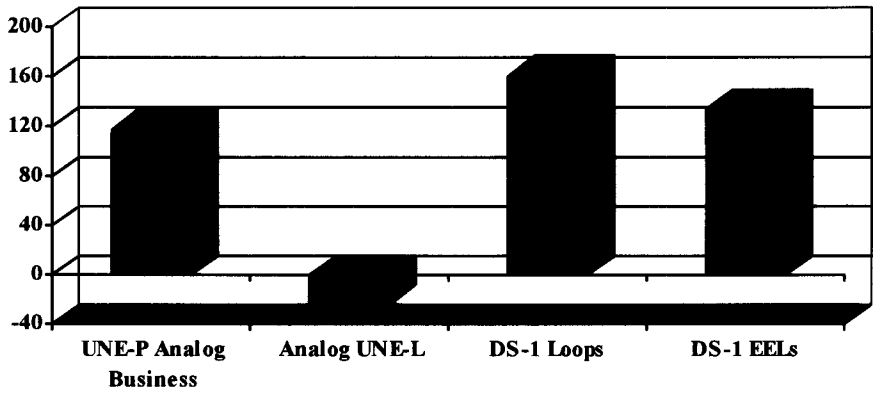
[3] Source: RBOC *Ex Parte* Filings in CC Docket 01-338 or as reported by Commerce Capital Markets, December 20, 2002. Vintage of data varies, but is generally from August or September, 2002.

[4] Relative penetration rate calculated as UNE-P lines (business or residential) as a percentage of residential and business analog lines. Source: ARMIS 43-08. For Qwest, analysis assumes all UNE-P lines reported as "POTS" are used to serve residential customers. This assumption is likely to understate business UNE-P penetration in the Qwest region, while overstating residential UNE-P penetration.

[5] The relative penetration of UNE-P in the analog business market for Verizon (Bell Atlantic) states other than New York is 5.8%, while the residential penetration is 1.8%.

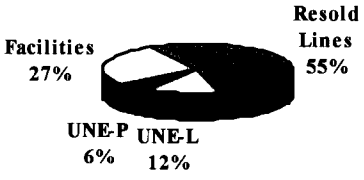
As indicated, there are very significant differences between business customers seeking analog-based competitive services and those larger businesses desiring high-speed (i.e., DS-1 and above) connections, in terms of the products offered, the competitive alternatives available, *and* the entry strategies used to serve them. These differences produce a clear division in the marketplace -- UNE-P is used to compete for analog business customers, while UNE-L is used to serve high-speed digital (DS-1) customers. This division can be seen clearly when reviewing the *types* of UNEs purchased to serve business customers during 2002. As the graph below illustrates, UNE-P was responsible for *all* of the growth in competitive analog services, while UNE-L arrangements were limited to digital DS-1 based services. Competition for analog small business customers – the mainstay of the American economy – depends upon access to UNE-P.

UNE-Based Competition – BellSouth[6]
UNEs added in 2002 (through June) – Voice Grade Equivalents (000s)

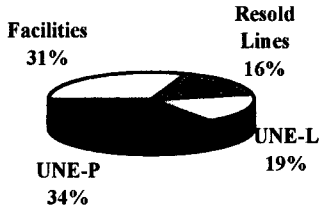


Because UNE-P and UNE-L are used by entrants to compete for fundamentally different customer segments, both have seen their share of the competitive pie increase. Although UNE-P is now the dominant local entry strategy (at nearly 35%), its gain has *not* occurred at the expense of either UNE-L or purely facilities-based strategies. Rather, the approaches address different customer segments, and therefore grow independently of one another.

Entry Mix: December 1999



Entry Mix: June 2002



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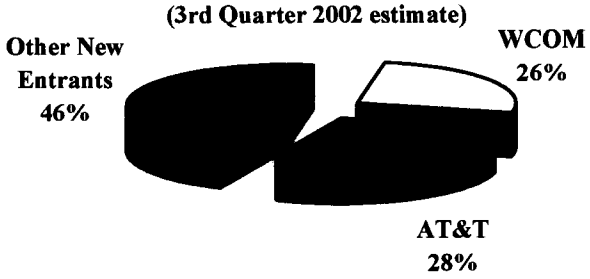
[6] Source: BellSouth Response to Interrogatory No. 2, AT&T/WorldCom's First Set, North Carolina Public Utilities Commission Docket No. P-100, Sub 133d.

UNE-P Provides the Foundation for a New Wave of Competitive Entry

One of the principal benefits of UNE-P is that it fosters geographically broad competition, bringing competitive benefit to urban, suburban and rural areas.[7] In addition, because it is provisioned electronically, it enables carriers to compete for smaller mass market customers. Because of these features, UNE-P has been an important local entry strategy for carriers with preexisting long distance operations, particularly AT&T and WorldCom. Importantly, however, UNE-P has also fostered a new wave of competitive entry, including the carriers that together form the PACE Coalition (sponsor of the UNE-P Fact Report). Although less well known than AT&T and WorldCom, this "second tier" of competitive entrant represents the largest (collective) purchaser of UNE-P, serving approximately 46% of the lines. It is within this tier that new competitive ideas are first tested and innovation is most likely to develop.

The Distribution of UNE-P
(3rd Quarter 2002 estimate)



The Benefits of UNE-P Are Becoming More Widespread

One significant competitive trend is that the benefits of UNE-P based competition are becoming more widespread around the nation. In December 2001, approximately 77% of the UNE-P lines were concentrated in the top 6 states; by June 2002, these same states represented only 68% of the nation's UNE-P lines. This is partially due to competition slowing in New York and Texas – UNE-P growth in these two states during the first half of 2002 was only 3.2%, compared to an average growth of 61.5% in the remaining states that reported UNE-P activity.[8]

The Distribution of UNE-P Competition Shows Benefits Becoming More Dispersed

	Dec 2001	June 2002
Top 2 States	54%	43%
Next 3 States	18%	22%
States 6 to 10	11%	16%
States 11 to 15	6%	6%
States 16 to 25	6%	8%
Remaining States	4%	5%
Total	100%	100%

As shown in the table to the right, the competitive benefits from UNE-P are becoming more diffused, with the distribution of UNE-P lines becoming more widespread throughout the nation. The importance of UNE-P extends from the nation's most populous states (such as New York and Texas) to the country's more rural states. Indeed, UNE-P penetration is well above the national average in the three least populous states in the country.

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[7] See *UNE-P Fact Report – August 2002* for additional data demonstrating the geographic ubiquity achieved by UNE-P based competition.

[8] Calculation does not include states where the RBOC withheld data claiming confidentiality concerns. In June 2002, Verizon (Bell Atlantic) withheld information for six states: Delaware, the District of Columbia, Maine, New Hampshire and Vermont. In December 2001, Verizon (Bell Atlantic) withheld information only for Vermont and the District of Columbia.

UNE-P Competition in the Nation's Most Rural States[9]

State	Rank[10]	Lines in State	UNE-P	Market Share
Wyoming	47	263,831	26,846	10.2%
South Dakota	48	256,709	17,343	6.8%
North Dakota	49	217,218	20,191	9.3%
			National Average	5.4%

Of course, UNE-P is only capable of *extending* urban competition to rural markets if it can also be used in more urban markets. There are substantial costs to design, market and support local services that could never be justified solely by rural entry. But the good news is that once given the opportunity to compete in urban states, UNE-P based competition does not end there – it extends to even the most rural markets.

Fundamentally, the practical availability and economic attractiveness of UNE-P is determined on a state-by-state basis, through the effort of each state's public service commission. A listing of each states' progress in making UNE-P commercially useful is provided in the "National UNE-P Report Card" attached to this report (based on ILEC June 2002 Form 477 data), as well as a state-by-state ranking of UNE-P penetration in the analog residential and business markets based on additional (and slightly more current) information filed by the RBOCs.

The Silent Scandal – Local Competition in Faux-BOC Markets

The above report has focused on the local market conditions in areas served by the Regional Bell Operating Companies. Although (as noted above) UNE-P is bringing competitive benefits broadly to the residential and small business marketplace, there are noticeable and meaningful gaps in competitive activity. As the ILECs consolidated over the last few years, both SBC (with its acquisition of SNET) and Verizon (through its merger with GTE) acquired markets that had not been served by a Bell Operating Company. These "faux-BOC" exchanges are nominally part of the SBC and Verizon organizations, but are clearly not part of the same competitive environment.

The table at right compares the relative size and competitive share earned by UNE-P in the exchanges served by the legacy RBOC operations (i.e., for SBC, Southwestern Bell, Ameritech and Pacific Telesis and for Verizon, NYNEX and Bell Atlantic), to the faux-BOC exchanges that they acquired (i.e., SNET and GTE respectively). As the table clearly shows, there is virtually no UNE-P based competition in the exchanges of the "faux-BOCs," despite the

	Legacy RBOC	Faux-BOC
SBC (SNET)		
ILEC Lines	50,518,572	2,256,557
UNE-P	3,325,617	12
Share	6.2%	0.0%
Verizon (GTE)		
ILEC Lines	30,931,677	17,761,502
UNE-P[11]	2,351,423	24,190
Share	7.1%	0.1%

[9] Source: FCC Local Competition Report (data through June 2002), released December 9, 2002.

[10] Data does not include Alaska and Hawaii, but does include the District of Columbia.

[11] UNE-P lines for GTE properties of Verizon were estimated by comparing the number of UNE-P lines reported by Verizon in the 2nd Quarter 2002 to investors to the total number of UNE-P lines by state reported to the FCC in its June 30 2002 Form 477 report. Verizon withholds data for all of its GTE

relatively large number of access lines being served by these entities. To the extent that there are questions as to the level of competition that can be expected in a "UNE-P free market," the territories served by the former GTE operating companies and SNET provide a discouraging insight to that issue.

For questions concerning the PACE Coalition or the UNE-P Fact Report, please contact:

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or

Genny Morelli
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operations and a number of smaller states served by its predecessors, Bell Atlantic and NYNEX. For several of these states (D.C., Delaware, New Hampshire and West Virginia), however, Verizon provided UNE-P volumes to the FCC through an ex parte filing in CC Docket 01-338. All UNE-P lines reported by Verizon to investors in its 2nd Quarter 2002 earnings release that could not be attributed to a non-GTE operation were assumed to be UNE-P lines provided by GTE. This methodology potentially overstates the number of UNE-P lines served by GTE because there are two remaining Verizon states (Maine and Vermont) for which Verizon withholds data.

The National UNE-P Report Card

State	Holding Company	UNE-P as of June 2002			National Rank		
		Gain*	Total Lines	Share	Gain	Lines	Share
Alabama	BellSouth	18,003	68,692	3.5%	21	17	19
Arizona	Qwest	15,385	35,719	1.3%	24	28	34
Arkansas	SBC Communications	14,639	35,062	3.5%	25	30	18
California	SBC Communications	100,064	180,098	1.0%	5	9	36
Colorado	Qwest	3,405	81,527	2.9%	31	14	21
Connecticut	SBC Communications	0	12	0.0%	37	43	43
Delaware	Verizon (Bell Atlantic)	WH	WH	WH			
DC	Verizon (Bell Atlantic)	WH	WH	WH			
Florida	BellSouth	292,607	428,326	6.4%	2	4	10
Georgia	BellSouth	94,881	327,147	7.7%	6	6	8
Idaho	Qwest	595	11,091	2.0%	34	37	30
Illinois	SBC Communications	121,966	423,890	6.0%	4	5	11
Indiana	SBC Communications	40,330	47,131	2.0%	11	25	29
Iowa	Qwest	-13,386	103,018	9.1%	43	12	7
Kansas	SBC Communications	41,520	125,802	9.4%	10	10	5
Kentucky	BellSouth	11,652	35,614	2.9%	28	29	22
Louisiana	BellSouth	21,377	52,648	2.2%	18	21	26
Maine	Verizon (Bell Atlantic)	WH	WH	WH			
Maryland	Verizon (Bell Atlantic)	17,148	31,306	0.8%	22	31	38
Massachusetts	Verizon (Bell Atlantic)	6,528	62,915	1.5%	29	18	32
Michigan	SBC Communications	328,614	750,895	13.6%	1	3	3
Minnesota	Qwest	5,024	85,681	3.7%	30	13	16
Mississippi	BellSouth	28,316	52,498	3.9%	14	22	15
Missouri	SBC Communications	47,507	115,406	4.4%	8	11	14
Montana	Qwest	2,308	5,000	1.3%	32	39	33
Nebraska	Qwest	558	4,087	0.9%	35	41	37
Nevada	SBC Communications	33	51	0.0%	36	42	42
New Hampshire	Verizon (Bell Atlantic)	WH	WH	WH			
New Jersey	Verizon (Bell Atlantic)	42,359	75,573	1.2%	9	16	35
New Mexico	Qwest	905	5,452	0.6%	33	38	41
New York	Verizon (Bell Atlantic)	61,544	1,837,735	16.5%	7	1	1
North Carolina	BellSouth	14,589	56,971	2.2%	26	20	25
North Dakota	Qwest	-2,770	20,191	9.3%	42	34	6
Ohio	SBC Communications	149,865	198,913	4.7%	3	8	13
Oklahoma	SBC Communications	22,311	58,510	3.6%	17	19	17
Oregon	Qwest	26,447	46,525	3.2%	15	26	20
Pennsylvania	Verizon (Bell Atlantic)	20,814	312,149	5.2%	19	7	12
Rhode Island	Verizon (Bell Atlantic)	-429	4,107	0.7%	39	40	40
South Carolina	BellSouth	11,753	39,805	2.6%	27	27	24
South Dakota	Qwest	-579	17,343	6.8%	40	36	9
Tennessee	BellSouth	25,101	75,656	2.8%	16	15	23
Texas	SBC Communications	37,045	1,342,462	13.6%	12	2	2
Utah	Qwest	-2,357	18,157	1.7%	41	35	31
Vermont	Verizon (Bell Atlantic)	WH	WH	WH			
Virginia	Verizon (Bell Atlantic)	19,353	27,638	0.8%	20	32	39
Washington	Qwest	15,728	51,637	2.1%	23	23	28
West Virginia	Verizon (Bell Atlantic)	WH	WH	WH			
Wisconsin	SBC Communications	36,348	47,397	2.1%	13	24	27
Wyoming	Qwest	-69	26,846	10.2%	38	33	4

* Gain in UNE-P lines in 2002, through June 30, 2002.
WH: Withheld due to confidentiality claim by the RBOC.
Source: RBOC Form 477 (Local Competition) Filings with the Federal Communications Commission.

Relative Penetration of Residential and Business UNE-P by State

State	Holding Company	UNE-P Lines		Penetration Rate*	
		Business	Residential	Business	Residential
Alabama	BellSouth	63,650	27,620	17.9%	2.0%
Arizona	Qwest	6,660	30,557	1.0%	1.5%
Arkansas	SBC Communications	5,391	44,842	2.0%	6.8%
California	SBC Communications	112,591	171,965	1.9%	1.5%
Colorado	Qwest	51,886	32,894	8.0%	1.8%
DC	Verizon (Bell Atlantic)	3,780	329	2.1%	0.1%
Delaware	Verizon (Bell Atlantic)	5,591	52	4.4%	0.0%
Florida	BellSouth	145,809	330,354	10.7%	7.1%
Georgia	BellSouth	105,597	245,710	14.2%	9.4%
Idaho	Qwest	34	10,481	0.0%	2.7%
Illinois	SBC Communications	107,477	418,889	4.7%	11.0%
Indiana	SBC Communications	9,337	51,689	1.4%	3.5%
Iowa	Qwest	96,792	2,086	38.7%	0.3%
Kansas	SBC Communications	60,612	85,686	19.3%	9.9%
Kentucky	BellSouth	25,195	18,651	10.7%	2.1%
Louisiana	BellSouth	37,083	43,834	7.2%	2.6%
Maine	Verizon (Bell Atlantic)	WH	WH	WH	WH
Maryland	Verizon (Bell Atlantic)	26,867	7,166	4.5%	0.3%
Massachusetts	Verizon (Bell Atlantic)	74,215	7,865	8.2%	0.3%
Michigan	SBC Communications	128,745	695,815	7.7%	23.0%
Minnesota	Qwest	40,776	45,359	8.5%	3.2%
Mississippi	BellSouth	31,608	33,256	12.1%	3.6%
Missouri	SBC Communications	87,737	50,990	15.9%	2.9%
Montana	Qwest	13	5,072	0.0%	1.9%
Nebraska	Qwest	5	4,050	0.0%	1.4%
New Hampshire	Verizon (Bell Atlantic)	10,678	444	7.0%	0.1%
New Jersey	Verizon (Bell Atlantic)	94,242	55,821	5.8%	1.3%
New Mexico	Qwest	22	5,352	0.0%	0.9%
New York	Verizon (Bell Atlantic)	266,880	1,645,678	12.3%	21.5%
North Carolina	BellSouth	52,580	30,062	11.4%	1.8%
North Dakota	Qwest	16,942	3,136	39.4%	2.4%
Ohio	SBC Communications	51,779	226,887	4.8%	8.3%
Oklahoma	SBC Communications	41,433	22,755	10.2%	2.1%
Oregon	Qwest	21,304	26,739	7.1%	2.8%
Pennsylvania	Verizon (Bell Atlantic)	85,885	247,401	6.5%	6.0%
Rhode Island	Verizon (Bell Atlantic)	7,149	521	6.8%	0.1%
South Carolina	BellSouth	37,836	9,693	14.4%	0.9%
South Dakota	Qwest	13,131	4,262	19.5%	2.7%
Tennessee	BellSouth	70,571	30,410	15.1%	1.6%
Texas	SBC Communications	394,694	1,016,864	16.3%	18.6%
Utah	Qwest	60	17,607	0.0%	2.6%
Vermont	Verizon (Bell Atlantic)	WH	WH	WH	WH
Virginia	Verizon (Bell Atlantic)	19,109	13,021	3.6%	0.6%
Washington	Qwest	12,573	39,773	2.2%	2.4%
West Virginia	Verizon (Bell Atlantic)	1,379	134	1.4%	0.0%
Wisconsin	SBC Communications	11,029	53,763	1.8%	4.0%
Wyoming	Qwest	24,836	1,777	30.8%	1.2%

Source: RBOC Ex Parte Filings, CC Docket 01-338, or reported by Commerce Capital Markets, December 20, 2002. Vintage of data varies by RBOC, but is generally from August or September, 2002.

* Relative Penetration estimated as UNE-P lines as a percentage of ILEC analog residential or business lines (Source: ARMIS 43:08).